

## AGENDA

### SPECIAL MEETING COMMITTEE ON LANDS AND BUILDINGS

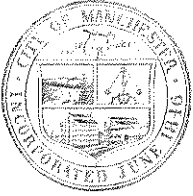
**May 10, 2004**

**Aldermen Thibault, Roy,  
Gatsas, Osborne, Porter**

**4:30 PM**

**Aldermanic Chambers  
City Hall (3<sup>rd</sup> Floor)**

1. Chairman Thibault calls the meeting to order.
2. The Clerk calls the roll.
3. Communication from Mrs. Georgie Reagan, on behalf of the Manchester Artist Association, proposing to make a \$500 per month donation to the Manchester Art Fund in exchange for guaranteed, exclusive occupancy of The McIninch Family Gallery at 1528 Elm Street.  
*(Note: accepted on 04/20/2004 pending review by Solicitor's Office.  
Proposed agreement submitted by Solicitor's enclosed.)*  
**Gentlemen, what is your pleasure?**
4. Communication from the Deputy Public Works Director, on behalf of the NH Flying Tigers R/C Club, Inc., requesting use of the Dunbarton Road Sanitary Landfill for model activities.  
**Gentlemen, what is your pleasure?**
5. Communication from Dick Dunfey, MHRC, advising that Easter Seals of NH has offered to purchase and develop the French Hall property located on Hackett Hill for the full asking price of \$1.3 million; and further that upon approval by the city of sale, the MHRC would enter into a Purchase and Sales Agreement and prepare a Land Disposition Agreement for sale of the property.  
*(Note: tabled 04/20/2004 pending further discussion on the questions brought up regarding the Auburn Street location. Additional information provided by Easter Seals enclosed.)*
6. If there is no further business, a motion is in order to adjourn.



# CITY OF MANCHESTER

*Handwritten:* 4/16/04 1:00 PM RECEIVED  
Review of Solicitor



ART COMMISSION  
One City Hall Plaza  
Manchester, NH 03101

March 16, 2004

Henry R. Thibault, Chairman  
Committee on Lands and Buildings  
C/o City Clerk's Office  
One City Hall Plaza  
Manchester, NH 03101

Re: The McIninch Family Gallery

Dear Mr. Chairman and Committee Members

Enclosed please find a copy of a communication from Sue Ritze, President of the Manchester Artist Association proposing to make a \$500 per month donation to the Manchester Art Fund in exchange for guaranteed, exclusive occupancy of the McIninch Family Gallery at 1528 Elm Street.

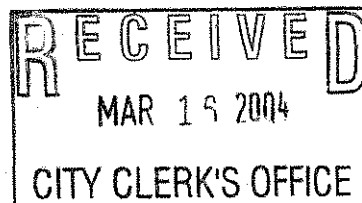
Please note that the Art Commission has worked diligently to ensure that city officials may honor their commitment to the McIninch Family and are overwhelmed by this most generous proposal.

Your favorable consideration of this request will be greatly appreciated.

Sincerely,

*Handwritten signature: Georgie Reagan*

Georgie Reagan  
Chairman



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**Manchester Artist Association  
P.O. Box 636  
Manchester, NH 03105**

March 10, 2004

Georgie Reagan, Chair  
Art Commissioner  
City of Manchester

Dear Georgie,

In response to the discussions held between the Manchester Arts Commission and The Manchester Artist Association, we would like to make the following proposal.

The Manchester Artist Association, a non-profit organization, would like to make a \$500 per month donation to the Manchester Art Fund in exchange for guaranteed, exclusive occupancy of the McIninch Family Gallery at 1528 Elm St., Manchester, New Hampshire. It is understood that this would be a single monthly payment, not subject to increase during the term of this agreement and would include all utilities, fees, taxes, etc. and that no further payment would be expected from The Manchester Artist Association for the use of this facility. It is also understood that this agreement will be for a minimal period of one year. This will include an opportunity after six months for both The Manchester Arts Commission and The Manchester Artist Association to address any problems or concerns that may arise in the first six months. Any changes must be agreed to by both parties.

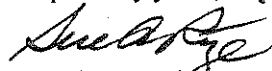
The Manchester Artist Association will, of course, agree to present our usual, quality art to meet the high standards expected by the City of Manchester. We have also enclosed some documentation attesting to the award winning caliber of our artists. We will, however, reserve the right to have an "emerging artists" wall in the gallery, allowing our newer or "growing" artists an opportunity to display their work.

We understand that each artist will have to provide his or her own insurance to cover their artwork or hang it at their own risk and that all other contents owned by The Manchester Artist Association will be covered by our insurance. However, property and liability insurance will be the responsibility of the City of Manchester.

Conditions for termination of this agreement follow. Failure by The Manchester Artist Association to make the monthly \$500 contribution to the Manchester Art Fund will be sufficient for The City of Manchester to terminate this agreement. The Manchester Artist Association may terminate the agreement if it falls under conditions of Extreme Difficulty to make the \$500 per month contribution.

It is understood, however, by both the Manchester Arts Commission and The Manchester Artist Association that we wish this relationship to work and to be beneficial to both the City of Manchester and The Manchester Artist Association, by enriching the citizens of Manchester with beautiful, thought provoking artwork and providing Manchester artists with a beautiful gallery in which to display their work. We, in The Manchester Artist Association, appreciate the opportunity that the Arts Commission has offered us and we look forward to showing the people of Manchester the wonderful talent that exists right here in the Queen City.

Respectfully yours,



Sue Ritze, President  
Manchester Artist Association

Manchester Artist Association  
P.O. Box 636  
Manchester, NH 03105

Incorporated in 1966, The Manchester Artist Association celebrates its 38<sup>th</sup> anniversary this April. It has grown from a few dozen local artists at its inception to over 250 artists in 2004. Once a group of talented "hobbyists", the association has matured through the years to represent some of the most talented, award winning artists in the State of New Hampshire.

Many MAA members have also been juried into such prestigious organizations as the NH Artist Association, The Copley Artist's Society of Boston, and the Pastel Society of America, to name a few. MAA artists have been featured at the Currier Museum, the Sharon Art Center in Peterborough and the New Hampshire Institute of Art's Biennial. Several members have been featured in national Artist publications, such as International Artists and Artist's Magazine and many have their work represented by galleries throughout New England.

MAA members travel year round to local art shows from New York to Maine to showcase and sell their award-winning art. Each year the Manchester Artist Association features three Art Shows of its own, with the Bedford Mall Show in April, the Carlyle Place Show in June and Art in the Park in September. Hundreds of people from the Manchester area and throughout New England come to enjoy the varied and beautiful offerings of the Manchester Artist Association.

For a sampling of some of the art of the MAA please visit [www.manchester-artists.org](http://www.manchester-artists.org) on the web. And for further information please contact MAA President, Sue Ritze at (603)472-3249.

DEPARTMENT OF JUSTICE  
STATE OF NEW HAMPSHIRE

33 CAPITOL STREET  
CONCORD, NEW HAMPSHIRE 03301-6397

PHILIP T. McLAUGHLIN  
ATTORNEY GENERAL



STEVEN M. HOURAN  
DEPUTY ATTORNEY GENERAL

THE ATTORNEY GENERAL  
REGISTER OF CHARITABLE TRUSTS

APPLICATION TO SUSPEND  
ANNUAL REPORT FILING REQUIREMENT

INSTRUCTIONS

Certain organizations whose purposes and activities are exclusively charitable or educational but which have limited assets or nominal income, such as local historical societies, may not be required to file annual reports if the Attorney General determines that filing annual reports would unreasonably add to the administrative expense of these organizations, that annual reports are not required for proper supervision, and that the interests of beneficiaries will not be prejudiced by suspension of the filing requirement. These organizations should complete Part I of the Application and the Certification form (Part III).

Other organizations may engage primarily or exclusively in social, recreational or other private activities limited to their members although they are authorized by their charter for charitable purposes as well. Such organizations may also not be required to file annual reports. If your organization is of this type, you should complete both Part I and Part II of the Application and the Certification form (Part III).

Name of Organization: Manchester Artists Association

State Registration Number: #3388

Address: P.O. Box #636, Manchester, NH 03105

Fiscal Year End: June 30, 2000

The undersigned charitable trust hereby requests a suspension from the requirement to file annual reports with the Attorney General, Director of Charitable Trusts, and states as follows:

## Part I ORGANIZATIONS WITH LIMITED ASSETS

A. This organization has no investments other than monies on deposit in the following banks or financial institutions:

<u>Name/Address</u> <u>of Bank</u>	<u>Type of</u> <u>Account</u>	<u>Account</u> <u>Number</u>	<u>Amount</u>
(1) St. Mary's Bank	Checking	0-34973-801	\$5,510.79
(2) _____	_____	_____	_____
(3) _____	_____	_____	_____

(Use back if more space is needed or to list other investments)

B. In the last three years has this organization hired a professional fund raiser?

No x Yes \_\_\_\_\_ (Attach explanation)

C. In the last three years has this organization operated a bingo game?

No x Yes \_\_\_\_\_ (Attach explanation)

## Part II SOCIAL AND RECREATIONAL ORGANIZATIONS

NON-APPLICABLE TO MANCHESTER ARTISTS ASSOCIATION

D. Does this organization have any special funds restricted to charitable purposes or uses?

No \_\_\_\_\_ Yes \_\_\_\_\_ (Attach explanation)

E. In the last three years has this organization solicited funds from the public for charitable or community purposes?

No \_\_\_\_\_ Yes \_\_\_\_\_ (Attach explanation)

F. In the last three years has this organization engaged exclusively in social, recreational or other private activities?

Yes \_\_\_\_\_ No \_\_\_\_\_ (Attach explanation)

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Name of Organization: Manchester Artists Association (#3388)

Part III CERTIFICATION

The undersigned acknowledges and agrees to the following conditions in the event this application is granted:

A. THE ORGANIZATION SHALL DURING THE PERIOD THE REPORTING IS SUSPENDED:

(1) NOT ENGAGE FUND RAISING COUNSEL OR PAID SOLICITORS IN CONNECTION WITH ITS SOLICITATION OF MONEY OR OTHER PROPERTY FROM THE PUBLIC;

(2) NOT OPERATE BINGO GAMES;

(3) LIMIT ITS INVESTMENTS TO FEDERALLY INSURED CHECKING AND INTEREST BEARING ACCOUNTS;

(4) FILE AN ANNUAL REPORT FOR ANY YEAR IN WHICH IT HOLDS INVESTMENTS AND REVENUES AGGREGATING MORE THAN \$10,000;

(5) NOTIFY THE ATTORNEY GENERAL NO LATER THAN 90 DAYS PRIOR TO THE DISSOLUTION OR TERMINATION OF THE TRUST OR THE TRANSFER OF A MAJOR ASSET.

Under the penalties of perjury set forth in RSA 641:1-3, I declare that the statements contained in this application for suspension of filing requirement and attachments, if any, are to the best of my knowledge and belief true, correct and complete.

Susan Call Treasurer Jan. 11, 2000  
Signature of Officer/Trustee Title Date  
(In the case of a corporation, the signature must be that of the President or Treasurer)

FOR USE OF REGISTRAR/DIRECTOR OF CHARITABLE TRUSTS ONLY

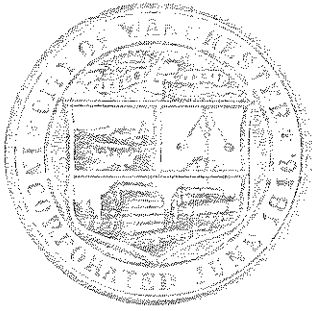
SUSPENSION OF ANNUAL REPORT FILING REQUIREMENT

Upon consideration of the foregoing application the Attorney General, Director of Charitable Trusts, determines that annual reports are not required for proper supervision of this charitable trust and the interests of the beneficiaries will not be prejudiced if the annual reporting requirement is suspended upon the conditions stated in the Application for a period of 5 years.

The next report accompanied by the statutory filing fee is due on 11/15/2004.

DATE: 2/03/2000

James M. Lussick  
Director of Charitable Trusts  
Registration



**City of Manchester  
Office of the City Solicitor**

One City Hall Plaza  
Manchester, New Hampshire 03101  
(603) 624-6523 Fax (603) 624-6528  
TTY: 1-800-735-2964  
Email: [solicitor@ci.manchester.nh.us](mailto:solicitor@ci.manchester.nh.us)

Thomas R. Clark  
City Solicitor

Thomas I. Arnold, III  
Deputy City Solicitor

Daniel D. Muller, Jr.  
Kenneth R. Bernard  
Michele A. Battaglia  
Marc van Zanten

April 9, 2004

Georgie Reagan, Chair  
City of Manchester Arts Commission  
One City Hall Plaza  
Manchester, NH 03101

RE: Revised Lease of McIninch Art Gallery

Dear Georgie:

Today, you called with concerns relative to the rent provision of the proposed lease for the McIninch Art Gallery. Attached please find a copy of the amended lease with revisions to address your concerns.

In short, the lease now has separate rent and donation provisions. The rent consists of one dollar for one-year lease payable upon the effective date of the lease, while the donations of five hundred dollars are treated separately and are identified as such. The rental payment of one dollar serves to distinguish the rent from the donations. If the proposed lease merely provided for donations, it might be argued that the donations were, in effect, rent and should be treated as such. I would remind you, however, that each separate donation to the Art Fund under Code of Ordinances §32.034 must be accepted by the Board of Mayor and Aldermen prior to being deposited in the Art Fund.

If you have any questions, please feel free to call me at 624-6523.

Very truly yours,

Daniel D. Muller, Jr., Esquire

Enclosure

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## LEASE AGREEMENT

This lease agreement is entered into on \_\_\_\_\_, 2004 between the City of Manchester, with a principal business address of One City Hall Plaza, Manchester, New Hampshire (hereinafter, the "Lessor") and the Manchester Artist Association, a non-profit organization with a principal address of P.O. Box 636, Manchester, New Hampshire 03105 (hereinafter, the "Lessee").

### RECITALS

The Lessor is the owner of real property located at 1528 Elm Street, Manchester, New Hampshire, which includes the McIninch Family Gallery.

The Lessee desires to lease the McIninch Family Gallery located at 1528 Elm Street, Manchester, New Hampshire for the purposes of displaying art therein.

In consideration of the matters described above, and of the mutual benefits and obligations set forth in this agreement, the parties agree as follows:

### SUBJECT OF LEASE; INGRESS AND EGRESS; PURPOSE

The Lessor leases to the Lessee the portion of the building located at 1528 Elm Street, Manchester, New Hampshire known as the McIninch Family Gallery (hereinafter, the "Premises"). The Lessee shall also have the right of ingress and egress through the entrance located on Elm Street and halls and corridors connecting said entrance and the Premises. The Lessee shall use the Premises only for the purpose of an art gallery.

### RENT; TERM OF LEASE

For the payment of one dollar (\$1) by the Lessee to the Lessor upon the effective date of this lease agreement and other valuable consideration, the Lessor agrees to lease to the Lessee the Premises for the period of one year from \_\_\_\_\_, 2004 to \_\_\_\_\_, 2005.

### DONATION TO ART FUND

The Lessee shall make a donation to the Lessor in the sum of five hundred dollars (\$500) for the Lessor's Art Fund at the Lessor's \_\_\_\_\_, One City Hall Plaza, Manchester, New Hampshire on or before \_\_\_\_\_, 2004. Subsequent donations by the Lessee shall be made on the \_\_\_\_\_ of each month for the term of this lease, shall be in the sum of five hundred dollars (\$500), and shall be made at the same place as identified above. All donations shall be subject to the requirements of Code of Ordinances for the City of Manchester, N.H., §32.034 for the acceptance of donations.

## TAXES, UTILITIES, AND REPAIRS

The Lessor shall be liable for any taxes assessed against the Premises and for payment of all utility services, save telephone, internet, cable, or similar communication utilities which shall be the responsibility of the Lessee.

The Lessee shall, at its own expense, maintain the Premises in good condition and keep the Premises clean. The Lessor shall not be responsible for furnishing janitorial or cleaning services to the Premises. The Lessee shall be liable for all repairs to the Premises which may arise from its use, possession, or operation of the Premises. The Lessor shall otherwise be liable for repairs to the Premises.

## IMPROVEMENTS; SIGNS

With the exception of unattached movable fixtures, the Lessee shall obtain the written consent of the Lessor prior to making any alterations, additions, or improvements to the Premises. With the exception of unattached movable fixtures, any such alterations, additions, or improvements shall become the property of the Lessor upon the termination or expiration of this agreement.

Except on the Premises, the Lessee shall not post or exhibit or allow to be posted or exhibited signs, advertisements, posters, or the like in any portion of the building at 1528 Elm Street or on the Lessor's property without the prior written consent of the Lessor.

## RULES AND REGULATIONS

The Lessee agrees to abide by the rules and regulations of the building in which the Premises is located, as they may be amended from time to time. The Lessee shall comply with all laws of the United States, the State of New Hampshire, and the City of Manchester which may be applicable to the Premises.

## SUBLEASES

The Lessee is prohibited from subletting any or all of the Premises without the prior written consent of the Lessor.

## INDEMNIFICATION

The Lessee agrees that the Lessor, its employees, agents, officers, and servants shall not be liable for any loss, damage, injuries, or other casualty of whatsoever kind and by whomsoever caused, to the person or property of anyone, including the Lessee, arising out of or resulting from the Lessee's use, possession, or operation of the Premises, or from the installation, existence, use, maintenance, condition, repair, alteration, or removal of any equipment thereon. Lessee hereby agrees to indemnify and hold harmless the

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Lessor, its employees, agents, officer, and servants from and against all claims for such loss, damage, injury, or other casualty.

## INSURANCE

The Lessor agrees to maintain property insurance with respect to the Premises, at such levels it deems appropriate, for the term of the lease; provided however, such insurance shall not cover any personal property of the Lessee or of third party who displays his or her work or otherwise stores personal property on the Premises.

The Lessee agrees to carry and maintain the following insurance for the term of this lease:

A. Comprehensive general liability insurance written on occurrence form, including completed operations coverage, personal injury liability coverage and products liability coverage. The minimum limits of liability carried on such insurance shall be \$1,000,000 each occurrence, \$2,000,000 in the aggregate combined single limit for bodily injury and property damage liability, and \$1,000,000 annual aggregate personal injury liability.

B. Liquor liability insurance, if applicable, with a minimum limit of \$1,000,000 each claim.

C. Automobile liability insurance, if applicable, for owned, non-owned, and hired vehicles with limits of \$1,000,000 each accident, combined single limit for bodily injury and property damage.

D. Workers' compensation insurance whether or not required by the New Hampshire Revised Statutes Annotated, 1955, as amended, with statutory coverage, including employer's liability insurance.

Insurance companies utilized must be admitted to do business in the State of New Hampshire or be on the State of New Hampshire Insurance Commissioner's list of approved non-admitted companies and shall have a rating of "A" or better in the current edition of Best's Key Rating Guide. Lessee shall furnish certificate(s) of the above-referenced insurance to the City of Manchester within fourteen (14) days from the date of this agreement and, with respect to renewals of current insurance policies, at least thirty (30) days in advance of each renewal date. Such certificates shall name the City of Manchester as an additional insured, except in the case of workers' compensation insurance.

In addition, the Lessee shall be responsible to obtain any insurance covering its property on the Premises. The Lessee also agrees that it shall advise any third party displaying works or otherwise storing personal property on the Premises in writing that he or she is responsible for procuring insurance for his or her property or otherwise assumes the risk in displaying his or her works on the Premises.

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### EMPLOYEES OR VOLUNTEERS OF LESSEE

Nothing in this agreement shall be construed to render employees or volunteers of the Lessee agents or employees of the Lessor. Nothing in this agreement shall be construed to make the Lessor liable for any obligation of the Lessee to its employees or volunteers.

The Lessee understands that the Lessor shall not furnish employees or staff unless otherwise provided for in this agreement.

### GALLERY CONTENTS

The Lessee is solely responsible for the content of the artwork displayed on the Premises during the term of this agreement. Furthermore, the Lessee agrees to indemnify and hold the Lessor, its employees, officers, agents, and servants harmless with respect to any claim arising from the content of the artwork displayed on the Premises.

### TERMINATION; WAIVER

Either party may terminate this Agreement with at least thirty (30) days written notice to the other party during the term of the agreement. In addition, the Lessor may terminate this agreement for failure to timely pay rent or other breach of the covenants and agreements set forth herein.

The Lessor's pursuit of any of the remedies provided herein shall not constitute a waiver of any other remedy available to the Lessor under this agreement, the law, or equity. The Lessor's waiver of any breach in one instance shall not constitute a waiver of any other breach, including a subsequent breach of the same covenant or duty. Forbearance or omission by the Lessor in enforcing any of its remedies upon the Lessee's breach shall not constitute a waiver of any of its remedies.

### GOVERNING LAW

This agreement is governed by the laws of the State of New Hampshire

### ENTIRE AGREEMENT; MODIFICATION

This agreement shall constitute the entire agreement between the parties. Any prior understanding or representation of any kind preceding the date of this agreement shall not be binding upon either party except to the extent such are incorporated herein.

Any modification of this agreement or additional obligation assumed by either party in connection with this agreement shall be in writing and signed by both parties.

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IN WITNESS WHEREOF, the City of Manchester has caused this lease to be executed in its name and on its behalf by Robert A. Baines, its Mayor, this \_\_\_\_ day of \_\_\_\_\_, 2004.

Signed  
in the presence of:

CITY OF MANCHESTER

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Robert A. Baines,  
Its Mayor

IN WITNESS WHEREOF, the Manchester Artist Association has caused this lease to be executed in its name and on its behalf by Sue Ritze, its President, this \_\_\_\_ day of \_\_\_\_\_, 2004.

Signed  
In the presence of:

MANCHESTER ARTIST  
ASSOCIATION

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Sue Ritze,  
Its President

**§ 32.031 DUTIES.**

The duties of the Art Commission shall be of an advisory character only; to furnish to city officials, boards, commissions, or departments information, advice and counsel, either upon its own initiative or upon request, relative to all matters involving considerations of art in the construction, alteration, and decoration of municipal structures, in the laying out and improvement of parks, highways, and other public spaces, in the design and location of monuments and in the construction and maintenance of all other municipal public works in which aesthetic considerations may be involved, to the end that such public works may possess beauty in the highest practicable degree.

In addition, the Art Commission shall coordinate and monitor a program which will provide for the display of local artists' work, community or institutional art and/or exhibits, and/or school art, on a rotating basis, in the public area of the City Hall Complex.

('71 Code, § 2-90) (Am. Ord. passed 12-7-99)

**§ 32.032 PURPOSE.**

The Board of Mayor and Aldermen hereby recognizes the importance of public art. The intent and purpose of §§ 32.032 through 32.035 is to establish the means to provide for public art as a part of the capital improvement process.

(Ord. passed 12-3-02)

**§ 32.033 DEFINITIONS.**

For the purposes of this chapter the following definitions shall apply unless the context clearly indicates or requires a different meaning.

**COMMISSION.** The City of Manchester Art Commission.

**WORK OF ART.** Any site for performing arts, object of historical significance, or work of visual art, including, but not limited to drawings,

paintings, murals, frescoes, sculptures, mosaics, photographs, works of calligraphy, etchings, lithographs, prints, and crafts.

(Ord. passed 12-3-02)

**§ 32.034 ART FUND.**

(A) Absent specific conditions to the contrary, all gifts of money to the city for works of art accepted by the Board of Mayor and Aldermen or appropriations made by the Board of Mayor and Aldermen for works of art shall be deposited into a nonlapsing fund, the art fund, to be used for the purposes identified in paragraph (D). Nothing in this section or §§ 32.032 through 32.035 shall be construed to require or allow the use of any gifts contrary to any provision of law, the terms of any agreement to which the city is a party, or the terms of the gift.

(B) Monies deposited in the art fund may be used for the following purposes:

(1) The acquisition of works of art for city buildings, facilities, parks, and other city property. Acquisition shall be deemed to include the purchase of existing work of art as well as the commissioning of artists to create a work of art;

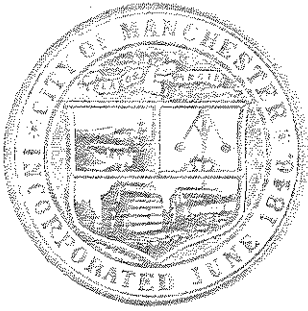
(2) The placement, installation, display, maintenance, restoration, or repair of any work of art acquired under this program as well as any existing works of art at municipal buildings and facilities; or

(3) The service of debt arising out of one of the activities identified in subparagraphs (1) and (2).

(C) The Commission may recommend to the Board of Mayor and Aldermen that monies in the art fund be expended for the purposes set forth in paragraph (B).

(D) Any sums remaining in the art fund at the end of any budget year shall remain in the art fund and may be expended in future budget years in accordance with the terms and conditions set forth in paragraphs (B) and (C).

(Ord. passed 12-3-02)



City of Manchester  
Office of the City Solicitor

One City Hall Plaza  
Manchester, New Hampshire 03101  
(603) 624-6523 Fax (603) 624-6528  
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Email: [solicitor@ci.manchester.nh.us](mailto:solicitor@ci.manchester.nh.us)

Thomas R. Clark  
City Solicitor

Thomas I. Arnold, III  
Deputy City Solicitor

Daniel D. Muller, Jr.  
Kenneth R. Bernard  
Michele A. Battaglia  
Marc van Zanten

May 4, 2004

Committee on Lands and Buildings  
One City Hall Plaza  
Manchester, NH 03101

**RE: Lease of McIninch Family Gallery**

Dear Honorable Committee Members:

Per the Committee's vote at its April 20, 2004 meeting, enclosed for the Committee's consideration please find the proposed agreement between the City and the Manchester Artist Association for the lease of the McIninch Family Gallery. The terms negotiated by the Manchester Arts Commission and the Manchester Artists Association have been put into acceptable form and the insurance provisions have been reviewed by the City's Risk Manager.

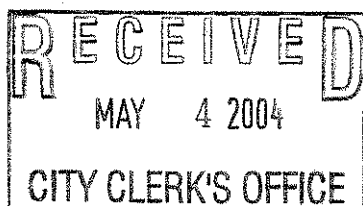
If you have any questions, please feel free to call me at 624-6523.

Very truly yours,

Daniel D. Muller, Jr., Esquire

Enclosure

cc: Georgie Reagan, Chairperson, Manchester Arts Commission



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## LEASE AGREEMENT

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### RECITALS

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The Lessee desires to lease the McIninch Family Gallery located at 1528 Elm Street, Manchester, New Hampshire for the purposes of displaying art therein.

In consideration of the matters described above, and of the mutual benefits and obligations set forth in this agreement, the parties agree as follows:

### SUBJECT OF LEASE; INGRESS AND EGRESS; PURPOSE

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### RENT; TERM OF LEASE

For the payment of one dollar (\$1) by the Lessee to the Lessor upon the effective date of this lease agreement and other valuable consideration, the Lessor agrees to lease to the Lessee the Premises for the period of one year from \_\_\_\_\_, 2004 to \_\_\_\_\_, 2005.

### DONATION TO ART FUND

The Lessee shall make a donation to the Lessor in the sum of five hundred dollars (\$500) for the Lessor's Art Fund at the Lessor's Finance Department, One City Hall Plaza, Manchester, New Hampshire on or before \_\_\_\_\_, 2004. Subsequent donations by the Lessee shall be made on the \_\_\_\_\_ of each month for the term of this lease, shall be in the sum of five hundred dollars (\$500), and shall be made at the same place as identified above. All donations shall be subject to the requirements of Code of Ordinances for the City of Manchester, N.H., §32.034 for the acceptance of donations.

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### TAXES, UTILITIES, AND REPAIRS

The Lessor shall be liable for any taxes assessed against the Premises and for payment of all utility services, save telephone, internet, cable, or similar communication utilities which shall be the responsibility of the Lessee.

The Lessee shall, at its own expense, maintain the Premises in good condition and keep the Premises clean. The Lessor shall not be responsible for furnishing janitorial or cleaning services to the Premises. The Lessee shall be liable for all repairs to the Premises which may arise from its use, possession, or operation of the Premises. The Lessor shall otherwise be liable for repairs to the Premises.

### IMPROVEMENTS; SIGNS

With the exception of unattached movable fixtures, the Lessee shall obtain the written consent of the Lessor prior to making any alterations, additions, or improvements to the Premises. With the exception of unattached movable fixtures, any such alterations, additions, or improvements shall become the property of the Lessor upon the termination or expiration of this agreement.

Except on the Premises, the Lessee shall not post or exhibit or allow to be posted or exhibited signs, advertisements, posters, or the like in any portion of the building at 1528 Elm Street or on the Lessor's property without the prior written consent of the Lessor.

### RULES AND REGULATIONS

The Lessee agrees to abide by the rules and regulations of the building in which the Premises is located, as they may be amended from time to time. The Lessee shall comply with all laws of the United States, the State of New Hampshire, and the City of Manchester which may be applicable to the Premises.

### SUBLEASES

The Lessee is prohibited from subletting any or all of the Premises without the prior written consent of the Lessor.

### INDEMNIFICATION

The Lessee agrees that the Lessor, its employees, agents, officers, and servants shall not be liable for any loss, damage, injuries, or other casualty of whatsoever kind and by whomsoever caused, to the person or property of anyone, including the Lessee, arising out of or resulting from the Lessee's use, possession, or operation of the Premises, or from the installation, existence, use, maintenance, condition, repair, alteration, or removal of any equipment thereon. Lessee hereby agrees to indemnify and hold harmless the

3

Lessor, its employees, agents, officer, and servants from and against all claims for such loss, damage, injury, or other casualty.

### INSURANCE

The Lessor agrees to maintain property insurance with respect to the Premises, at such levels it deems appropriate, for the term of the lease; provided however, such insurance shall not cover any personal property of the Lessee or of third party who displays his or her work or otherwise stores personal property on the Premises.

The Lessee agrees to carry and maintain the following insurance for the term of this lease:

A. Comprehensive general liability insurance written on occurrence form, including completed operations coverage, personal injury liability coverage and products liability coverage. The minimum limits of liability carried on such insurance shall be \$1,000,000 each occurrence, \$2,000,000 in the aggregate combined single limit for bodily injury and property damage liability, and \$1,000,000 annual aggregate personal injury liability.

B. Liquor liability insurance, if applicable, with a minimum limit of \$1,000,000 each claim.

C. Automobile liability insurance, if applicable, for owned, non-owned, and hired vehicles with limits of \$1,000,000 each accident, combined single limit for bodily injury and property damage.

D. Workers' compensation insurance, if applicable, with statutory coverage, including employer's liability insurance.

Insurance companies utilized must be admitted to do business in the State of New Hampshire or be on the State of New Hampshire Insurance Commissioner's list of approved non-admitted companies and shall have a rating of "A" or better in the current edition of Best's Key Rating Guide. Lessee shall furnish certificate(s) of the above-referenced insurance to the City of Manchester within fourteen (14) days from the date of this agreement and, with respect to renewals of current insurance policies, at least thirty (30) days in advance of each renewal date. Such certificates shall name the City of Manchester as an additional insured, except in the case of workers' compensation insurance.

In addition, the Lessee shall be responsible to obtain any insurance covering its property on the Premises. The Lessee also agrees that it shall advise any third party displaying works or otherwise storing personal property on the Premises in writing that he or she is responsible for procuring insurance for his or her property or otherwise assumes the risk in displaying his or her works on the Premises.

## EMPLOYEES OR VOLUNTEERS OF LESSEE

Nothing in this agreement shall be construed to render employees or volunteers of the Lessee agents or employees of the Lessor. Nothing in this agreement shall be construed to make the Lessor liable for any obligation of the Lessee to its employees or volunteers.

The Lessee understands that the Lessor shall not furnish employees or staff unless otherwise provided for in this agreement.

## GALLERY CONTENTS

The Lessee is solely responsible for the content of the artwork displayed on the Premises during the term of this agreement. Furthermore, the Lessee agrees to indemnify and hold the Lessor, its employees, officers, agents, and servants harmless with respect to any claim arising from the content of the artwork displayed on the Premises.

## TERMINATION; WAIVER

Either party may terminate this Agreement with at least ninety (90) days written notice to the other party during the term of the agreement. In addition, the Lessor may terminate this agreement for failure to timely pay rent or other breach of the covenants and agreements set forth herein.

The Lessor's pursuit of any of the remedies provided herein shall not constitute a waiver of any other remedy available to the Lessor under this agreement, the law, or equity. The Lessor's waiver of any breach in one instance shall not constitute a waiver of any other breach, including a subsequent breach of the same covenant or duty. Forbearance or omission by the Lessor in enforcing any of its remedies upon the Lessee's breach shall not constitute a waiver of any of its remedies.

## GOVERNING LAW

This agreement is governed by the laws of the State of New Hampshire

## ENTIRE AGREEMENT; MODIFICATION

This agreement shall constitute the entire agreement between the parties. Any prior understanding or representation of any kind preceding the date of this agreement shall not be binding upon either party except to the extent such are incorporated herein.

Any modification of this agreement or additional obligation assumed by either party in connection with this agreement shall be in writing and signed by both parties.

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IN WITNESS WHEREOF, the City of Manchester has caused this lease to be executed in its name and on its behalf by Robert A. Baines, its Mayor, this \_\_\_\_ day of \_\_\_\_\_, 2004.

Signed  
in the presence of:

CITY OF MANCHESTER

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Robert A. Baines,  
Its Mayor

IN WITNESS WHEREOF, the Manchester Artist Association has caused this lease to be executed in its name and on its behalf by Sue Ritze, its President, this \_\_\_\_ day of \_\_\_\_\_, 2004.

Signed  
In the presence of:

MANCHESTER ARTIST  
ASSOCIATION

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Sue Ritze,  
Its President



**City of Manchester  
Department of Highways**

227 Maple Street  
Manchester, New Hampshire 03103-5596  
(603) 624-6444 Fax # (603) 624-6487

**Commission**

James E. Connolly, Jr.  
- Chairman  
Henry R. Bourgeois  
William F. Kelley  
Edward J. Beleski  
Peter Favreau

Frank C. Thomas, P.E.  
Public Works Director

Kevin A. Sheppard, P.E.  
Deputy Public Works Director

March 10, 2004

Committee on Lands and Buildings of the  
Honorable Board of Mayor and Aldermen  
One City Hall Plaza  
Manchester, New Hampshire 03101

**Attn:** Leo R. Bernier, City Clerk

**Re:** *New Hampshire Flying Tigers R/C Club, Inc.*

Dear Committee Members:

Attached, please find a request from the referenced club for the use of the Dunbarton Road Sanitary Landfill for model activities. In discussion with Frank Thomas, we would support this use, subject to the negotiation of an agreement which is acceptable to the City.

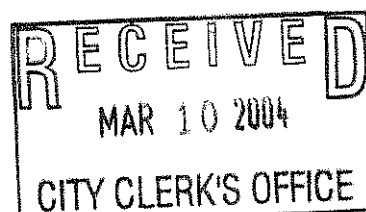
Your review and comment on this request would be appreciated. We are available to answer any questions you may have on this matter.

Sincerely,

Kevin A. Sheppard, P.E.  
Deputy Public Works Director

/cd

cc: Frank C. Thomas, P.E.  
CLD Engineers Inc.  
NH Flying Tigers R/C Club, Inc.



4



## New Hampshire Flying Tigers R/C Club, Inc.

P.O. Box 99  
Derry, NH 03038  
[www.newhampshireflyingtigers.org](http://www.newhampshireflyingtigers.org)

Mr. Frank Thomas  
Director of Public Works  
227 Maple Street  
Manchester, NH 03103

February 13, 2004

Mr. Thomas,

This letter is to follow up on our prior correspondence and telephone calls about the use of the Dunbarton Road Sanitary Landfill for model activities by the NH Flying Tigers R/C Club.

The NH Flying Tigers is a non-profit organization incorporated in the State of New Hampshire. We have been in existence since the early 1970's. Our membership typically varies between 50 and 70 members covering the ages of 7 to 70. A normal day may find between 5 to 10 people at our flying field as not all of our members actively fly, some fly during the week while others fly on weekends. We maintain our own facilities, and have a set of rules and procedures in place to ensure the environment is kept clean and that our members always consider safety first while respecting our neighbors. We would expect no additional costs or burdens to the City of Manchester as we are totally self sufficient.

Our club is chartered by the Academy of Model Aeronautics (AMA) which is a national organization. We require each of our members to also be a member of the AMA. Membership in the AMA includes liability insurance for each member and our club. Our AMA insurance allows us to name the landowner of our flying site onto our policy to provide \$2,500,000.00 of primary liability coverage for the landowner at no cost to the landowner.

We feel that the Dunbarton Road Sanitary landfill and model activities are a perfect match. Use of a landfill for model activities is not unprecedented. I can also supply you with a list of over 150 landfills across the United States, including some in the State of New Hampshire, which are being used by organizations such as the NH Flying Tigers.

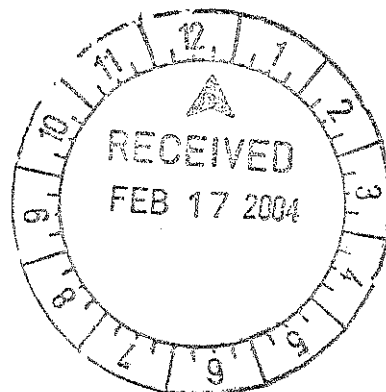
The New Hampshire Flying Tigers R/C Club would love to work with the City of Manchester to make the Dunbarton Road Sanitary Landfill a useful part of the community and something that the City of Manchester would be proud of.

Please consider this an official request of The New Hampshire Flying Tigers Radio Control Club for exclusive use of the Dunbarton Road Sanitary Landfill by our members and guests for model activities.

Sincerely,

Rich Bono

7 Redfield Circle  
Derry, NH 03038  
phone: (603) 216-2180



4



## New Hampshire Flying Tigers R/C Club, Inc.

P.O. Box 99  
Derry, NH 03038  
[www.newhampshireflyingtigers.org](http://www.newhampshireflyingtigers.org)

January 30, 2004

Mr. Frank Thomas  
Director Public Works  
227 Maple Street  
Manchester, NH 03103

Mr. Thomas,

Thank you so much for offering to work with the NH Flying Tigers Radio Control Club on the possible use of the Manchester Landfill. We visited the landfill in September and are excited by the possibilities of using the landfill for the flying of model aircraft. We feel the site would be perfect for this activity.

I would like to discuss this opportunity further with you. I'm sure that you have many questions for us. The NH Flying Tigers is a non-profit organization incorporated in the State of New Hampshire. Our membership typically varies between 50 and 70 members, between the ages of 7 to 70. We normally have about 5 to 10 people at our current flying field on any average day, not all of our members are actively flying. Some fly during the week while others fly on weekends. Please visit our web site [www.newhampshireflyingtigers.org](http://www.newhampshireflyingtigers.org) to read more about us.

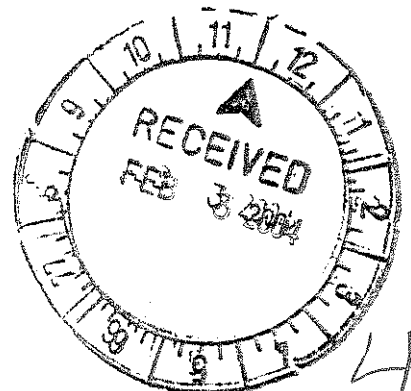
Our club is chartered by the Academy of Model Aeronautics (AMA) which is a national organization. We require each of our members to also be a member of the AMA. Membership in the AMA includes insurance for each member and our club. Another benefit of the AMA insurance is that we can name the landowner of our flying site onto our policy very easily. I have included some information on the AMA with this letter. You can read more about the AMA via their web site [www.modelaircraft.org](http://www.modelaircraft.org).

I have included a picture to show the area of the landfill which we would like to use as our main flying area. This is by no means final, but after our first visit it seems a logical location. I can also supply you with a list of over 150 landfills across the United States which are being used by model airplane flying clubs such as the NH Flying Tigers.

Please feel free to contact me to answer any questions and to suggest a time when we could meet to discuss this further. My daytime phone number is (603) 216-2180. Evenings I can be reached at (603) 432-9002.

Sincerely,

Rich Bono  
7 Redfield Circle  
Derry, NH 03038



This is a picture of the Manchester, NH landfill showing the proposed location for flying of R/C aircraft by the New Hampshire Flying Tigers R/C Club, Inc.



We would fly mainly east of the area shown as a proposed runway. Our current runway is grass, maintained by our members. The NH Flying Tigers owns a lawnmower for maintenance of our flying site.

It is expected that all flying would take place over the fenced in landfill area.

We propose that members park their cars on the north-west or west side of the proposed runway.

The area shown would work well for us by allowing an ample flying space while keeping the sun behind us and out of the pilot's field of view when flying.

We would be very happy to discuss alternates to this proposal.



# for your information

## ACADEMY OF MODEL AERONAUTICS



5161 East Memorial Drive Muncie, Indiana 47302 (765) 287-1256 FAX (765) 289-4248

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**AMA** is the Academy of Model Aeronautics.

**AMA** is the world's largest sport aviation organization, representing a membership of more than 170,000 from every walk of life, income level and age group.

**AMA** is a self-supporting, non-profit organization whose purpose is to promote development of model aviation as a recognized sport and worthwhile recreation activity.

**AMA** is an organization open to anyone interested in model aviation.

**AMA** is the official national body for model aviation in the United States. AMA sanctions more than a thousand model competitions throughout the country each year, and certifies official model flying records on a national and international level.

**AMA** is the organizer of the annual National Aeromodeling Championships, the world's largest model airplane competition.

**AMA** is the chartering organization for more than 2,500 model airplane clubs across the country. AMA offers its chartered clubs official contest sanction, insurance, and assistance in getting and keeping flying sites.

**AMA** is the voice of its membership, providing liaison with the Federal Aviation Administration, the Federal Communications Commission, and other government agencies through our national headquarters in Muncie, Indiana. AMA also works with local governments, zoning boards, and parks departments to promote the interests of local chartered clubs.

**AMA** is an associate member of the National Aeronautic Association. Through NAA, AMA is recognized by the Fédération Aéronautique Internationale (FAI), the world governing body of all aviation activity, as the only organization which may direct U.S. participation in international aeromodeling activities.

For more detailed information, contact the Academy of Model Aeronautics, 5161 E. Memorial Drive, Muncie, Indiana, 47302 or telephone 1-765-287-1256.



## AMA BENEFITS

### *World's Largest Aeromodeling Organization*

#### ORGANIZATION

##### Non-Profit

- Tax Exempt Under IRS Section 501(c)(3)
- Members Elect Corporate Officers
- Monthly Magazine
- Published Financial Information
- Active Representation with US Government Agencies (FAA, FCC, and Department of Interior)
- National and Regional
- Flying Site Development
- Serving Aeromodeling Since 1936
- Organizational Assets (\$11 million)
- Member of National Aeronautical Association

#### SERVICE TO AEROMODELING

##### Aeromodeling Videos

- Historic Preservation and Research (Museum, Archives, and Library)
- Recognition and Awards
- Scholarship Program
- Educational Programs
- Air Show Team Program
- Mall Show Program
- Fun Fly Activities (National, Regional, and Local)
- Web Page on Internet

#### COMPETITION SUPPORT

##### Member Developed Rules

- National Championships
- International Participation

#### CLUB SUPPORT

##### Flying Site Assistance

- Frequency Monitoring and Sound Measuring Equipment
- National Newsletter for Clubs
- Field Safety and Frequency Posters
- Club Officer Recognition
- Introductory Pilot Program
- Primary Site Owner Insurance

#### TECHNICAL SUPPORT

- Sound and Propeller Research
- Active Safety Advocacy
- Research Library
- Aviation Books
- Airfoil Technology Research

#### INSURANCE COVERAGE\*

- \$2,500,000 per occurrence. General liability coverage to members, clubs, siteowners
- \$25,000 Medical Coverage—AD&D Policy (\$10,000 Death Benefit)
- \$1,000 Fire, Theft, and Vandalism Policy
- Various Types of Aeromodeling Covered (RC, FF, and CL)
- Liability also covered for operations of:
  - Model Boats
  - Model Cars
  - Model Rockets

\*per terms of policies acquired by AMA

Academy of Model Aeronautics

5161 East Memorial Drive

Muncie IN 47302

Tel.: (765) 287-1256 Fax: (765) 289-4248 [www.modelaircraft.org](http://www.modelaircraft.org)

4

Dick Dunfey  
Secretary/Treasurer

**M A N C H E S T E R**  
**HOUSING AND REDEVELOPMENT CORPORATION**

**IN BOARD OF MAYOR & ALDERMEN**

March 18, 2004

**DATE: April 6, 2004**

Henry Thibault, Chairman  
City of Manchester  
Lands and Buildings Committee  
One City Hall Plaza  
Manchester, NH 03101

**ON MOTION OF ALD. O'Neil**

**SECONDED BY ALD. Porter**

**VOTED TO** **Informational only - Referred to the  
Lands and Buildings Committee.**

*Lu R. Bernier*  
CITY CLERK

George N. Copadis  
President

William B. Cashin  
Vice-President

Marie E. Donohoe  
Trustee

Fred B. Kfoury, Jr.  
Trustee

M. Mary Mongan  
Trustee

Dear Chairman Thibault:

On March 9, 2004, the Manchester Housing and Redevelopment Corporation Board of Trustees approved the Easter Seals NH proposal to purchase and develop the French Hall property at Hackett Hill. Easter Seals NH has offered the full asking price of \$1,300,000 for the property and proposes the rehabilitation of the existing building, construction of a 40,000 square foot addition, and extensive landscaping at a total development cost estimated to be \$7,656,000, while providing up to 300 employment opportunities.

It is Easter Seals NH's intent to relocate and expand their educational classrooms, resident student facilities and recreational programs currently operating in leased space at the former Lake Shore Hospital on Zachary Road, Manchester, New Hampshire. The enclosed Manchester Housing and Redevelopment Corporation resolution outlines the specific conditions under which the Easter Seals NH proposal was approved. Please note that the use may require zoning variances and that negotiation with the City regarding payment of property taxes is also required.

Upon approval by the City of Manchester of the sale to Easter Seals NH, the Manchester Housing and Redevelopment Corporation would enter into a Purchase and Sales Agreement and prepare a Land Disposition Agreement for the sale of the French Hall property.

Should you have any questions, please do not hesitate to contact us.

Thank you.

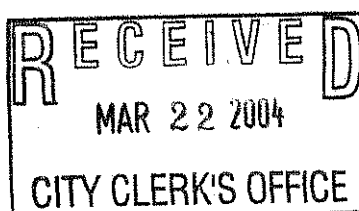
Sincerely,

**MANCHESTER HOUSING AND REDEVELOPMENT CORPORATION**

*Dick*

Dick Dunfey  
Secretary/Treasurer

cc: Board of Mayor and Aldermen  
Tom Clark, City Solicitor  
MHRC Board of Trustees



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**RESOLUTION NO. \_\_\_\_\_**

**APPROVING AND AUTHORIZING  
SALE OF FRENCH HALL AT HACKETT HILL  
TO EASTER SEALS NH**

**WHEREAS**, the City of Manchester has requested that the Manchester Housing and Redevelopment Corporation market the French Hall property at Hackett Hill; and

**WHEREAS**, a proposal for acquisition and development of French Hall, including site improvements, has been received from Easter Seals NH; and

**WHEREAS**, the proposal has been evaluated by Authority staff, City staff and at their meeting on March 9, 2004 the Manchester Housing and Redevelopment Corporation Board of Trustees; and

**WHEREAS**, the proposal submitted by Easter Seals NH offers full asking price at \$1,300,000 for the property and includes rehabilitation of the existing building, a 40,000 square foot addition, and extensive landscaping at a total development cost estimated to be \$7,656,000, while providing up to 300 employment opportunities; and

**WHEREAS**, the proposed use, including educational classrooms, resident student room and board and recreational opportunities would require changes to the current zoning:

**NOW, THEREFORE, BE IT RESOLVED** by the Trustees of the Manchester Housing and Redevelopment Corporation as follows:

1. That the proposal submitted by Easter Seals NH for the purchase and development of French Hall be accepted subject to the following conditions:
  - A. The City of Manchester agrees on the basis for payment of real estate taxes on the property.
  - B. The sale is approved by the City of Manchester Board of Mayor and Aldermen.
  - C. The City of Manchester Planning Board approves the project.
  - D. The City of Manchester Zoning Board of Adjustment grants required variances for the proposed use.
2. That the President, Vice-President and/or Secretary/Treasurer are hereby authorized to execute any and all documents relating to the sale of French Hall at Hackett Hill.

5



*Creating solutions, changing lives.*

## **Easter Seals**

**New Hampshire**  
555 Auburn Street  
Manchester, NH 03103-4800  
603.623.8863 phone/tdd  
603.625.1148 fax  
[www.eastersealsnh.org](http://www.eastersealsnh.org)

**Larry J. Gammon**  
President

May 3, 2004

Henry Thibeault, Chairman  
Aldermanic Lands and Buildings Committee  
Manchester Board of Mayor and Aldermen  
1 City Hall Plaza  
Manchester, New Hampshire 03101

**Re: Easter Seals New Hampshire Headquarters**

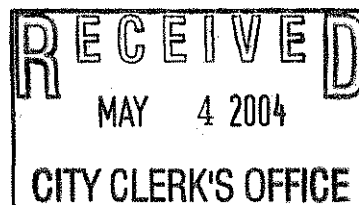
Dear Alderman Thibeault and Members of the Committee:

This letter is in response to the questions of what Easter Seals can do to further accommodate the Manchester School District in its kindergarten on Auburn St.

As previously explained, we now rent 17,300+/- sq. feet to the District at an annual charge of \$220,000 per year. This comes out to be \$12.72 per sq. foot, and covers every occupancy cost associated with the space, including, but not limited to, heat, lights, plowing, maintenance, repairs, insurance, depreciation, etc. When the infrastructure costs are stripped away, the true rent is in the area of \$5.69 per sq. foot. This year the CPI escalation was waived and the rent was reduced from \$223,000 to \$220,000.

Over the years, we have been told that some school board members have felt the rent is too high, and that the program should be relocated. We have no objection to that if it would be better for the District. When school officials have searched, they are unable to find anything nearly comparable for the same costs.

We are currently unable to provide the District with more space. We have our Seniors, our Childcare, our Early Intervention and our Administrative offices here. We have waiting lists for all programs, and could use the space the City uses if it left. At the same time, we are sensitive to the District's space issues, enjoy an excellent relationship, and are familiar with the clientele, since many are, or have been, in our programs.



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The Manchester staff like it here, and tell us we provide them with one of the cleanest and most efficient spaces in the school system. We have also carved out adequate parking for the teachers, though the parents occasionally take up our spaces. All in all, it is a good, mutual relationship.

What can we do? We cannot sell the building. Our services in the area are too important to the residents. Plus, we have put \$1,000,000 into our Seniors area in the past five years (Capital Fund Drive), and up to \$250,000 in improvements to the Childcare area, including the beginning of a new playground. In both cases, we raised the money from the community and it would not be appropriate to sell at this time.

We could develop a long term lease (up to 10 years) for the current space the District occupies. We could cap the rent and have the District supply its own support services. If feasible, space could be separately metered. This could result in a much lower sq. footage costs (approximately \$6.00), but the infrastructure costs will have to come from somewhere else.

There seems to be no options to provide more to the District. We need to keep our building, and to sell it would create a severe financial hardship to Easter Seals, and force us to relocate key programs that serve an inner-city population.

Thank you, and I look forward to discussing this in person.

Sincerely,



Larry J. Gammon  
President & CEO

/bb

cc: Michael Reed, Chairman, Board of Directors, Easter Seals  
Bradford Cook, Counsel, Easter Seals  
Elin Treanor, CFO, Easter Seals  
Ben Gamache, Board of Directors, Easter Seals

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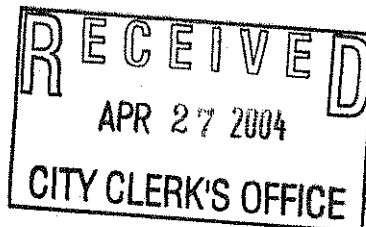


Creating solutions, changing lives.

**Easter Seals**

**New Hampshire**  
555 Auburn Street  
Manchester, NH 03103-4800  
603.623.8863 phone/tdd  
603.625.1148 fax  
[www.eastersealsnh.org](http://www.eastersealsnh.org)

**Larry J. Gammon**  
President



April 27, 2004

Henry Thibeault, Chairman  
Aldermanic Lands and Buildings Committee  
Manchester Board of Mayor and Aldermen  
1 City Hall Plaza  
Manchester, New Hampshire 03101

**Re: Easter Seals New Hampshire/Hackett Hill French Hall**

Dear Alderman Thibeault and Members of the Committee:

This letter is a follow-up to the meeting held on April 19, 2004 at which you requested further information on the willingness of Easter Seals to pay taxes or otherwise deal with the value of taxes which the City of Manchester would receive from French Hall were it to be sold to a for-profit user.

I am sorry I was unable to attend the meeting, and I look forward to meeting with you and the Committee members at the next scheduled session.

As stated at the meeting, Easter Seals New Hampshire and its proposed use at the site are exempt from property taxation under the provisions of RSA 72:23 V, as a charity owning and using property for its charitable purpose. It is not willing to waive this right.

First, I would like to point out the services we now provide, at our expense, to Manchester residents, and hope that you will consider these services given in lieu of taxes.

We use considerable fundraising and net income to provide vital services to some of the City's neediest citizens, many of whom could/would not be served by other non-profits. Examples are:

- A. Childcare – we provide a childcare program for area residents that serves, on a sliding scale, 90 low income and disabled children and their families. Many of these children are from other cultures, and we employ bilingual staff. Some have health conditions that would prevent them from attending other childcare centers. Most are

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from families of working poor, who could not work without this service. We subsidize this service \$263,200 per year.

- B. Early Intervention – this is a program for parents with children who are disabled at birth, and covers a wide range of clientele, of all economic backgrounds. However, we serve a concentration of inner city residents. The State pays for the basic program; we enhance it with specialized people who work with parents in their homes, and teach them to care for, and treat, their child's disability. This program is one of our most important, as it does more than anything to keep people off the public rolls later in life. We subsidize it \$51,100 per year, and it saves the City millions of dollars in Special Education costs.
- C. Seniors – we have a day program for area senior citizens that covers the range of people recovering from a stroke, or cardio-vascular incidents, those that are depressed and those with Alzheimer's. These are critical programs to the patients and provide their families with the only relief they get in a day of care-giving. We collect fees from the State, insurance and private persons (those that can pay), but subsidize this \$280,000 per year.
- D. Transportation – we run 65+/- busses in the City, serving the Manchester School District, the Seniors and Childcare program listed above, and various elderly services. While we receive fees for this as well, they do not nearly meet the costs. We subsidize this service \$307,000 per year, and for many, it is their only way to access doctors appointments, services, etc.
- E. Camping – We send over 35 Manchester children to our camp in Hidden Valley Boy Scouts Reserve every Summer. While much of the expense is met by the NH Snowmobile Association, Easter Seals provides over \$14,000 of subsidy a year to the program. These are very disabled children, who require round-the-clock supervision and care, in many cases, and who would not generally be accepted at other camps.

The above subsidies can be summarized as follows:

Childcare	\$263,000
Early Intervention	51,100
Seniors	280,000
Transportation	307,000
Camp	<u>14,000</u>
Total	\$915,100

The above represents real service to real people that we currently provide to Manchester residents, with income we work hard to earn and raise. This is our mission, and though we are very large, we have no margin (1%+/-) and very little room to provide other services in lieu of income.

In addition, we currently rent 16,000+ square feet of our Auburn St. facility to the Manchester School District. We made room for the District when the Chandler School was condemned, and there was no place to house the special needs children there. We were told at that time by Mayor Wiczorek that we saved the City over \$3 million that it would cost to build a new school.

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In addition, the current rent of \$223,300 per year can be broken down as follows:

Space = 16,840 sq. feet = 28% of our building.

The rent of \$13.25 per sq. ft is applied towards Manchester's share of depreciation, debt service, building insurance, maintenance, cleaning, plowing, waste removal, supplies, utilities, heat, etc. The quoted rate leaves Easter Seals in a shortfall position for the space occupied by the City. However, Easter Seals continues to provide the City with a clean, safe environment for one of its neediest population.

I hope you will consider the illustrations provided as evidence that Easter Seals is indeed a resource to the Citizens of Manchester, and has a 65 year history of serving thousands of its Citizens, at untold cost savings to Manchester residents. I am sure our partnership is very cost beneficial to the City and its public services.

If you should require further payment in lieu of taxes, we could consider that, but it likely will result in us having to curtail some of the free/subsidized work we do, as we currently have very little excess income. For example:

- A. We could reduce our cost for transportation to the school district. This would result in more "free service", in that program, and require us to shift resources from another program.
- B. We could reduce the tuition/residential cost to Manchester students, again leaving us with less "net" income to provide other services.
- C. We could reduce the school district's rent at Auburn St., further impacting our slim margins.

We are willing to negotiate all of the above; however, we hope that you are persuaded by the fact that we are currently providing considerable resources to the City, and that our full price purchase of the building, and first class renovations and additions therein, will adequately reimburse you for our presence.

I hope this letter meets your needs, and will look forward to discussing it in person.

Sincerely,



Larry J. Gammon  
President & CEO

/bb

cc: Michael Reed, Chairman, Board of Directors, Easter Seals  
Bradford Cook, Esq., Counsel to Easter Seals

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